M/s Spectrum Power Generation Limited, the promoters of the 208 MW Godavari CCGT in Andhra Pradesh withdrew their request for counter guarantee. The Project has been fully commissioned. In the case of the remaining two projects on December 22, 1999, Government of India approved extension of counter guarantee, through a revised procedure, for the 500 MW Ib Valley Thermal Power Project in Orissa of M/s. AES Ib Valley Corporation and the 1013.2 MW Mangalore Thermal Power Project in Karnataka of M/s. Mangalore Power Company Ltd. The draft Counter guarantee and tripartite agreement documents in respect of these two projects have been forwarded to the respective State Government for comments/ necessary action. Further action for extending counter guarantee for these two projects will be taken after necessary action is taken by the concerned State Governments for fulfilment of the terms and conditions for extension of the counter guarantee of the Government of India.

Non-Cooperative attitude of state towards power reforms

†4459. SHRI P.K. MAHESHWARI: Will the Minister of POWER be pleased to state:

(a) the States which have adopted non-cooperative attitude towards power reforms and do not appear to be serious thereon;

(b) the kind of cooperation, the Central have expected from the States;

(c) whether Government are concerned over the investment not being made by the domestic and foreign investors in absence of the reforms in that sector; and

(d) if so, Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) to (d) The States have accepted the need for power sector reforms. A consensus was reached in the Conference of Chief Minister/Power Ministers held in March, 2001 on the need to depoliticize power sector reforms and speed up their

†Original notice of the question was received in Hindi.

implementation. It was resolved in the conference to achieve break even in distribution in two years time and achieve positive returns thereafter. It was also resolved that State Electricity Regulatory Commissions (SERCs) would be made functional and tariff petition filed and subsidy may be given only to the extent of State Government's capacity to pay the subsidies explicitly through budget. The Government of India has signed Memoranda of Understanding (MOUs) with twenty-one States. The MOUs are a joint Commitment of the Centre and the States to undertake reforms in a time-bound manner. The State Governments commitment in these MOUs include setting up of the State Electricity Regulatory Commission, 100% metering of 11 KV feeders and all consumers, energy audit, reduction of technical and commercial losses achievements of commercial viability in distribution etc. Government of India has committed its support through additional allocating of power from Central Generating Stations and financial assistance for strengthening of subtransmission and distribution as well as for renovation and modernization of thermal and hydel power plants. 12 State Electricity Regulatory Commission have passed tariff orders which reflect a trend towards tariff rationalisation. It is expected that with the reform and restructuring of power sector, the confidence of investors in power sector will improve.

Study of ARRPEEC to boost the Hydro-power Generation

4460. SHRI AIMADDUDIN AHMED KHAN (DURRU) : Will the Minister of POWER be pleased to state:

(a) whether a recent study of the Asian Regional Research Programme in Energy, Environment and Climate (ARRPEEC) has stressed the need for a major boost to the hydro-power generation in the country.

(b) If so, whether any action plan has been adopted to promote this strategy for conservation of hydro-carbons and fossil fuels and controlling Green House (GHCs) for implementation during the Tenth Five Year Plan and thereafter; and

(c) the details of such an action plan?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) to (c) Yes, Sir. The Asian